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| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
|-----------------|-------------|----------------------|---------------------|------------------|
| 09/769,443      | 01/26/2001  | Ravi Razdan          |                     | 3773             |

31537 7590 08/04/2004

STREAMTONE, INC  
2683 VIA DE LA VALLE  
G-427  
DELMAR, CA 92014

EXAMINER

NGUYEN, MINH DIEU T

| ART UNIT | PAPER NUMBER |
|----------|--------------|
|----------|--------------|

2137

DATE MAILED: 08/04/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/769,443

Applicant(s)

RAZDAN ET AL.

Examiner

Minh Dieu Nguyen

Art Unit

2137

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
  - If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
  - If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
  - Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 26 January 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-27 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-27 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

## **DETAILED ACTION**

Claims 1-27 are pending.

### ***Claim Objections***

1. Claims 23-24 are objected to because of the following informalities:
  - a. As to claim 23, there are 2 different claims with the same claim numbers, suggested to be used as 23 and 24.
  - b. Claim 24 should be renumbered as claim 25.Appropriate correction is required.

### ***Claim Rejections - 35 USC § 101***

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-19 and 23-24 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claim is directed to neither a "process" nor a "machine", but rather embraces or overlaps two different statutory classes of invention.

***Claim Rejections - 35 USC § 112***

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 1-19 and 23-24 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

a) As to claim 1, it is directed to a method of enabling remote monitoring of digital rights, electronic sales and distribution by Distributors of digital works owned by third party Publishers and the method steps of using it is held to be ambiguous.

b) As to claim 2, the phrase "hierarchically clustered and loosely coupled" is vague and indefinite.

c) As to claim 23, it is directed to a database and the process steps of using it is held to be ambiguous.

d) As to claim 17, the phrase "concise and organized format" is vague and indefinite.

***Claim Rejections - 35 USC § 102***

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

6. **Claims 1-7, 10-18** are rejected under 35 U.S.C. 102(e) as being anticipated by Evans et al., US 2003/0154387.

a) **As to claim 1**, as best understood, Evans discloses a system, method and article of manufacture for tracking the distribution and sale of digital content products for reporting revenues to a publisher (page 1, paragraph [0001]) comprising providing a digital works Clearinghouse (Fig. 5, element 506) configured to communicate via a computer network (page 3, paragraph [0049]) and designed to coordinate collection of meta-data, distribution, monitor usage, track, provide auditing information and delivers of digital works between Distributors, Publishers and end Consumers (Fig. 5, elements 500, 502 and 508; page 6, paragraph [0102]; page 7, paragraph [0132-0133]), the method further comprising a step of providing a software application to Distributor whereby a Publisher is enabled to remotely monitor transactional, billing, and usage information along with protecting copyrights (Figure 5).

- b) **As to claims 2-3**, Evans discloses the method wherein the software application is hierarchically clustered, loosely coupled and has at least one module or combination of modules (page 3; paragraph [0052-0101]).
- c) **As to claims 4-5**, Evans discloses the method wherein a module is a logging module which logs all activity of digital works on distributor site (page 2, paragraph [0019]; page 7, paragraph [0125]; page 8, paragraph [0139-0140]).
- d) **As to claims 6-7**, Evans discloses the method wherein a module is a distribution module which connects to other's distributor's and clearinghouse to transmit digital work (Fig. 5; page 7, paragraph [0123]).
- e) **As to claim 10**, Evans discloses the method further comprising the step of providing a Distributor record-generation system for enabling Distributors to create a record that references the digital work (page 8, paragraph [0139-0140]; page 17, paragraph [0278]).
- f) **As to claim 11**, Evans discloses the method wherein one module is an encrypting module (page 7, paragraph [0134]).
- g) **As to claim 12**, Evans discloses the method wherein one module is a streaming module (page 8, paragraph [0141]).
-

h) **As to claim 13**, Evans discloses the method wherein one module is a communications module (Fig. 5), as the communication is carried between the Clearinghouse and other modules.

i) **As to claims 14-15**, Evans discloses the method wherein one module is an advertisement insertion module which interacts with streaming module to insert advertisement in between streams (page 11, paragraph [0176]).

j) **As to claims 16-18**, Evans discloses the method wherein one module is an auditing module which processes logged data into concise and organized format and auditing information is communicated to Clearinghouse (page 17, paragraph [0278]; page 18, paragraph [0283]).

7. **Claims 1, 8-9, 19-24** are rejected under 35 U.S.C. 102(e) as being anticipated by Hurtado et al., US Patent 6,611,812.

a) **As to claim 1**, Hurtado discloses a system and related tools for the secure delivery and rights management of digital assets, such as print media, films, games and music over CDs and DVDs and over global communications networks such as the Internet and the World Wide Web comprising providing Clearinghouse configured to coordinate collection of meta-data, distribution, monitor usage, track, provide auditing information and deliveries of digital works between Distributors, Publishers and end Consumers (col. 13, lines 43-67 to col. 14, lines 1-22); providing a software application



to Distributor whereby a Publisher is enabled to remotely monitor transactional, billing, and usage information along with protecting copyrights (col. 11, lines 65-67; col. 12, lines 1-67; col. 13, lines 1-29).

b) **As to claims 8-9**, Hurtado discloses the method wherein a module is a watermarking module which watermarks the digital work in real time before electronic transfer and/or distribution (col. 12, lines 30-32, col. 56, lines 23-35).

c) **As to claim 19**, Hurtado discloses the method wherein one module is a meta-data reader module (col. 12, lines 20-30).

d) **As to claims 20-21**, Hurtado discloses a method of supporting sales, distribution of digital works or licenses to use digital works comprising clearinghouse receiving a request for a digital work from a distributor; determining where the digital work is available by checking a digital works meta-data database for a record of the digital work; passing meta information and encryption key to the Distributor; Distributor connecting to the Distributor whose system has digital work or to the Clearinghouse; transmission of digital work from one Distributor to another or Clearinghouse to Distributor; inserting a watermark that records the association between the Distributors or Distributor, Clearinghouse and Distributor (col. 19, lines 40-67; col. 20, lines 1-67; col. 21, lines 1-67; col. 22, lines 1-16).

e) **As to claim 22**, Hurtado discloses a digital works clearinghouse comprising a database, which stores meta-data relating to digital works (col. 30, lines 46-67; col. 31, lines 1-15); a server configured to coordinate digital works distribution, such that when a digital work request message is received, the server checks the meta-data database to determine where the digital work is available, passes meta information and encryption key of digital work to the distributor requesting the digital work so that the distributor will connect to the distributor and transmit digital work and to relay auditing information it has collected from various distributors to the digital works publisher (col. 45, lines 15-67; col. 46, lines 1-37; col. 48, lines 46-67; col. 49, lines 1-64)

f) **As to claim 23**, as best understood, Hurtado discloses a digital works meta-data database that is automatically updated when a new digital work is available by a communication from the meta-data reader module residing on a remote distributor site that discovers and captures meta-data regarding new digital works available on that distributor's site (col. 53, lines 63-67; col. 54, lines 1-67; col. 55, lines 1-2).

8. **Claims 25-27** are rejected under 35 U.S.C. 102(e) as being anticipated by Marcus, US 2002/0092019.

a) **As to claim 25-26**, Marcus discloses a method and apparatus for creation, distribution, assembly and verification of media, enabling advertisement time-

slot arbitrage between advertisers and distributors of digital works comprising generating list of available advertisement time slots, displaying list for viewing by third-party advertisers, communicating a request for inserting advertisement at a given time slot; transacting for time slot; accepting the transaction; and inserting advertisement (page 3, paragraph [0048]; page 6, paragraph [0089]; page 7, paragraph [0126]).

b) **As to claim 27**, Marcus discloses the method wherein Advertiser delivers advertisement to distributor, software application inserts the advertisement (page 15, paragraph [0233]).

### ***Claim Rejections - 35 USC § 103***

9. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

10. **Claim 24** is rejected under 35 U.S.C. 103(a) as being unpatentable over Hurtado et al., US Patent 6,611,812 in views of Stefik et al., US 6,233,684.

Hurtado discloses meta-data reader module discovering a new digital work when it becomes available on Distributor's site (col. 21, lines 3-5); capturing meta-data including analysis of digital work available on Distributors site and communicating the

meta-data captured to the digital works Clearinghouse (col. 53, lines 63-67; col. 54, lines 1-67; col. 55, lines 1-2).

Hurtado does not disclose analyzing the new digital work to determine the proper portions of the digital work to insert watermarks.

Stefik discloses determining the proper portions of the digital work to insert watermarks (col. 12, lines 36-51).

It would have been obvious to one of ordinary skill in the art at the time of the invention to employ the use of watermark in the system of Hurtado, as Stefik teaches, so as to reduce the risk of copying digital works (col. 5, lines 11-18).

### ***Conclusion***

11. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure

a) US Patent 6,735,699 to Sasaki et al. discloses method and system for monitoring use of digital works.

b) US Patent 6,009,525 to Horstman discloses multi-tier electronic software distributor.

c) US 2002/0092019 to Marcus discloses method and apparatus for creation, distribution, assembly and verification of media.

d) US 2004/0107356 to Shamoan et al. discloses methods and apparatus for persistent control and protection of content.

e) US 2001/0042043 to Shear et al. discloses cryptographic methods, apparatus and systems for storage media electronic rights management in closed and connected appliances.

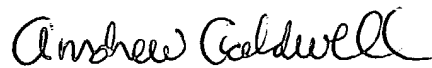
12. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Minh Dieu Nguyen whose telephone number is 703-305-9727. The examiner can normally be reached on M-F 6:00-2:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Andrew Caldwell can be reached on 703-306-3036. The fax phone number for the organization where this application or proceeding is assigned is (703) 872-9306.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-3900.

  
mdn  
7/27/04

Minh Dieu Nguyen  
Examiner  
Art Unit 2137

  
Andrew Caldwell